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Control No. 2589
EIC-M-104
12 February 1964

ECONOMIC INTELLIGENCE COMMITTEE

Minutes of Meeting Held in
Room 4 F 31, CIA Headquarters Building

1000 hours, 12 February 1964

PRESENT:

Dr. Otto E. Guthe, CIA, Chairman

25X1A9a [REDACTED] CIA, Vice Chairman

Morris H. Crawford, Department of State

John W. Easton, Defense Intelligence Agency

CDR. William D. Robertson, Department of the Navy

25X9A8 [REDACTED] National Security Agency

Dr. Edward R. Van Sant, Office of the Assistant Secretary of Defense,
International Security Affairs

Jerome Forrest, Agency for International Development

Eugene T. Olson, Department of Agriculture

25X1A9a Ferdinand F. Pirhalla, Department of Commerce

[REDACTED] CIA

25X1A9a [REDACTED] CIA

[REDACTED] CIA

ANNOUNCEMENTS:

The Chairman announced that the draft statement of Priority National Economic Intelligence Objectives was concurred in by EIC members on 11 February 1964. The statement is now being prepared for reproduction for dissemination to the community.

When the Chairman reported that no response had yet been received to his communication to DIA requesting the DIA to contribute to the fifth in the series of the Petroleum Subcommittee's Working Papers on Military Consumption of Petroleum Products, Sino-Soviet Bloc for 1962-63, Mr. Easton stated that the DIA would contribute but could not provide material until April.

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EIC-M-104

12 February 1964

APPROVAL OF MINUTES:

The minutes of the EIC Meeting of 7 January 1964 (EIC-M-103) were approved.

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OPERATION OF THE [REDACTED]

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The Chairman noted that the DIA had responded to the Chairman's memorandum regarding strengthening of the staff serving the [REDACTED] by stating that at present no DIA billet is available for full-time duty at CIA.

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The Chairman explained that there had been discussions regarding ways by which the [REDACTED] might be increasingly responsive to priority collection requirements with some savings in resources devoted to it. He proposed that the EIC Working Group be instructed, through its Chairman, to take a hard look at categories of targets, including spot surveys of consumers, and at other aspects of the operation, in order to determine how it might be further streamlined. The members concurred in this proposal.

CONSIDERATION OF EIC-R14-S16, "AID AND TRADE ACTIVITIES OF COMMUNIST COUNTRIES IN LESS-DEVELOPED AREAS OF THE FREE WORLD, 1 JULY - 31 DECEMBER 1963":

EIC members were asked to consider the Working Group recommendation that the title of the EIC-R14 series be changed from "Sino-Soviet Bloc Economic Activities in Underdeveloped Areas" to "Aid and Trade Activities of Communist Countries in Less-Developed Areas of the Free World". Reasons for favoring such a change were that (1) it would avoid the use of the term "Sino-Soviet Bloc" which is now inappropriate because it has connoted a monolithic grouping of the Soviet Bloc and Communist China and (2) by using the term "aid and trade activities" rather than "economic activities" military assistance would properly be included. Members concurred in the title change.

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EIC-M-104
12 February 1964

With the adoption of the title change and following discussion on the treatment of Cuba and Yugoslavia, it was agreed to amend the present Foreword by addition of the following statement:

For the purposes of this report, the term Communist countries as used here refers primarily to the following countries which extend aid to less-developed areas: the USSR, Poland, East Germany, Czechoslovakia, Hungary, Rumania, Bulgaria, and Communist China. For certain limited purposes it may also include Cuba, Albania, Mongolia, North Korea, and North Vietnam, which are not normally aid donors. The term does not include Yugoslavia for purposes of this report.

It was agreed that a round-up of aid to Cuba and, if significant, aid to Yugoslavia would be published as special articles in the Biweekly Reports generally on a semiannual basis.

For consistency, the adoption of these changes in the EIC-R14 series will require similar changes in the title of the Biweekly series and in the name of the Working Group.

The report was reviewed on a page-by-page basis and modifications and changes were proposed and accepted. The DIA representative stated they had reservations with regard to Table 15 and 16, and it was agreed that DIA and CIA representatives would meet to clarify the differences and attempt to reach agreement.

The Chairman reported the CIA's successful machine tabulation and print-out of the information on credits and grants to underdeveloped countries by project and its readiness for inclusion in the report.

The Committee approved the report for issuance after adjustment of the military tables. The Committee commended the Working Group for preparing an excellent report.


Executive Secretary

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